

Dushuttle, Patricia

From: Mills, Stephen C. (CMS/CMCHO) <Stephen.Mills@cms.hhs.gov>
Sent: Wednesday, February 29, 2012 12:55 PM
To: Dushuttle, Patricia
Cc: Holt, Kathryn (CMS/CMCHO); Wolfsfeld, Lynn (CMS/CMCHO)
Subject: RE: Provider Contractint Option
Attachments: Provider Agreement Option.doc

Patty,

As noted earlier, we no longer require contracts between the State agency and the provider with respect to paying bundled rates. Attached our some guidelines which provide a broad outline of the requirements for paying a bundled rate to providers.

Steve.

From: Dushuttle, Patricia [mailto:Patricia.Dushuttle@maine.gov]
Sent: Wednesday, February 29, 2012 8:15 AM
To: Mills, Stephen C. (CMS/CMCHO)
Subject: Provider Contractint Option

Could you please send me information on the provider contracting option? Thanks much!

Patty

Patricia Dushuttle, M.A.
Director, Division of Policy
DHHS, MaineCare Services
11 SHS, 221 State Street
Augusta, Maine 04333-0011
Patricia.Dushuttle@maine.gov
(207) 287-9362

1. Provider Agreement Option

Under this option, a State would:

- Establish an agreement with the provider for services, and;
- Require under that agreement that the provider keep data that demonstrates the intent of the statute. The data should demonstrate that the bundled rate is economic and efficient as compared to the cost and utilization of the component services.
- The provider must collect and submit annually to the Medicaid agency the following:
 - Data showing the utilization of the individual Medicaid services included in the bundled payment stratified by practitioner and by beneficiary;
 - Practitioner-specific cost information; and
 - Cost information by type of service actually delivered under the bundled rate.
- Include the following language in the State plan on the appropriate 4-19.B pages:

“The State Medicaid agency will have an agreement with each entity receiving payment for services as defined in Section 3.1-A that will require that the entity furnish to the Medicaid agency on an annual basis the following:

- a. data, by practitioner, on the utilization by Medicaid beneficiaries of the services included in the unit rate; and**
- b. cost information by practitioner type and by type of service actually delivered within the service unit.**

Future rate updates will be based on information obtained from the providers.”

- Provide the agreement language to CMS prior to approval of a SPA. However, approval of the SPA is not contingent upon CMS approval of the agreement. The ROs will ensure that the language has been included in the provider agreements and that the specified data is being provided to the state Medicaid agency on an annual basis.

The following questions will assist the State in thinking through this option.

- For each bundled (e.g. rehabilitation) service approved in _____, (multiple service bundles, daily, or weekly rates), please identify the individual Medicaid covered component services (i.e. the Title 1905(a) covered services) and the Medicaid qualified practitioners.
- Please provide a description of the rate methodology including sample calculations. This information should be provided for each service reimbursed at a 15 minute unit rate and as a bundled payment.

- Please identify the entity with which the Medicaid agency has an agreement for each service.
- Please include a sample of the provider agreement between the Medicaid Agency and the provider. Please be sure to include and explain all the documentation requirements that the Medicaid agency requires under the provider agreement. What type of utilization and expenditure data does the Medicaid agency require the provider to keep in order to meet contract requirements?

Dushuttle, Patricia

From: Mills, Stephen C. (CMS/CMCHO) <Stephen.Mills@cms.hhs.gov>
Sent: Friday, March 02, 2012 9:09 AM
To: Dushuttle, Patricia
Cc: Holt, Kathryn (CMS/CMCHO); Wolfsefeld, Lynn (CMS/CMCHO); Smith, Bonnie; Badaracco, Andrew (CMS/CMCS)
Subject: RE: Provider Contractint Option

That's correct. We would be able to identify the provider of the service (including the level of practitioner), the beneficiary, and the service provided. We do recognize that this is a tremendous amount of information to capture and we can offer technical assistance to help Maine develop a methodology to meet Federal requirements.

Steve.

From: Dushuttle, Patricia [mailto:Patricia.Dushuttle@maine.gov]
Sent: Friday, March 02, 2012 8:43 AM
To: Mills, Stephen C. (CMS/CMCHO)
Cc: Holt, Kathryn (CMS/CMCHO); Wolfsefeld, Lynn (CMS/CMCHO); Smith, Bonnie
Subject: RE: Provider Contractint Option

Sorry that this is more difficult by email, I would love the opportunity to discuss in conference call too. Thanks for your feedback.

So may I poke at this a bit more to clarify for our stakeholder committee.....if the service (let's say an assist with an adl such as bathing) was performed by one staff person, performing that specific service in 15 minute increments, and that staff billed for that specific service, it would **not** be considered a bundled service?

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From: Mills, Stephen C. (CMS/CMCHO) [mailto:Stephen.Mills@cms.hhs.gov]
Sent: Friday, March 02, 2012 8:37 AM
To: Dushuttle, Patricia
Cc: Holt, Kathryn (CMS/CMCHO); Wolfsefeld, Lynn (CMS/CMCHO); Smith, Bonnie
Subject: RE: Provider Contractint Option

Patty,

Unfortunately, we cannot consider the scenario you describe below as NOT being a bundled rate. That is to say, we do consider it to be bundled.

Maine would need to develop a rate that recognizes the provision of personal care services, delivered over a specific time period, by varying levels of providers, in order to pay a bundled rate. Of course, the rate would need to demonstrate that it is both economic and efficient.

In addition, the State would need to capture the data, by beneficiary, by service, and by level of practitioner and have that information readily available, if requested, to demonstrate the rate as being economic and efficient.

Steve.

From: Dushuttle, Patricia [mailto:Patricia.Dushuttle@maine.gov]
Sent: Friday, March 02, 2012 8:31 AM
To: Mills, Stephen C. (CMS/CMCHO)
Cc: Holt, Kathryn (CMS/CMCHO); Wolfsfeld, Lynn (CMS/CMCHO); Smith, Bonnie
Subject: RE: Provider Contractint Option

Thanks, Steve, this is very helpful.

I need further clarification to confirm that CMS would not consider personal care services, reimbursed as one per diem service, delivered by several different team members (on different shifts, or with different job roles in a personal care services home) would not be considered a bundled rate. Thanks very much!

Patty

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